



中國銀杏教育集團有限公司

China Gingko Education Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1851

2025
Interim Report



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Fang Gongyu (*Chairman of the Board*)
Mr. Tian Tao
Ms. Yu Yuan (resigned on 28 March 2025)
Mr. Ma Xiaoming
Ms. Zeng Qin (appointed on 28 March 2025)

Independent Non-executive Directors

Mr. Jiang Qian
Mr. Yuan Jun
Mr. Wong Chi Keung

Audit Committee

Mr. Wong Chi Keung (*Chairman*)
Mr. Jiang Qian
Mr. Yuan Jun

Nomination Committee

Mr. Fang Gongyu (*Chairman*)
Mr. Jiang Qian
Mr. Yuan Jun

Remuneration Committee

Mr. Jiang Qian (*Chairman*)
Mr. Yuan Jun
Ms. Yu Yuan (resigned on 28 March 2025)
Ms. Zeng Qin (appointed on 28 March 2025)

Company Secretary

Mr. Lau Kai Tung Justin

Authorised Representatives

Mr. Tian Tao
Mr. Lau Kai Tung Justin

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F., Prince's Building
Central
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Postal Saving Bank of China,
Pi County Xipu Branch
China Construction Bank,
Pi County Gaoxin Branch
China CITIC Bank, Chengdu West Branch

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

2 Jinli Zhonglu
Qingyang District
Chengdu City, Sichuan Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F., 148 Electric Road
North Point
Hong Kong

PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG SHARE REGISTRAR

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
148 Electric Road
North Point
Hong Kong

INVESTOR RELATIONS

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COMPANY WEBSITE

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LISTING INFORMATION

Place of Listing

The Main Board of The Stock Exchange of Hong Kong Limited

Stock Code

1851

Management Discussion and Analysis

Business Overview

Overview

The Group is a higher education and vocational training service provider in Sichuan Province of the PRC, dedicated to offering comprehensive and diversified programmes and curricula to students, with the aim of nurturing talents with practical skills applicable in the modern service industry.

For the 2024/2025 school year, student enrollment of Yinxing College continued to grow, reaching approximately 20,745 (2023/2024: 20,728) students, representing an increase of 0.1%. The effectiveness of the practical curricula and training programmes is reflected in its high graduate employment rates. For the 2024/2025 school year, 4,332 students were graduated from Yinxing College in June 2025, with a graduate employment rate of 86.1%.

Market demand for talent with practical experience and readily applicable skills will continue to grow. The Group believes there is significant market potential for the growth of hospitality market in China. In light of this industry background, as a higher education service provider focusing on the hospitality industry, the Group is well positioned to capture the growth opportunities in the hospitality industry in China.

The Schools

The one college and one vocational training school the Group operates are Yinxing College and Yibin Yinxing Catering Management Co., Ltd (宜賓市銀杏餐飲職業培訓學校有限公司) ("**Yinxing Catering Training School**"). Yinxing College has eight departments and offers in aggregate 30 bachelor's degree programmes and 24 junior college diploma programmes.

The number of students enrolled in Yinxing College increased as a result of its growing reputation, increased marketing efforts, as well as improved planning over enrollment.

* For identification purpose only

Management Discussion and Analysis

The Group derives the revenue primarily from tuition fees and boarding fees. The tuition fees and boarding fees are recognised proportionately over the terms of the applicable programme or the beneficial period for the students, where applicable. The following table sets forth the breakdown of the revenue by income source for the periods indicated:

		Total income for the six months ended 30 June		
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	Increase/ (Decrease) RMB'000	Increase/ (Decrease) (%)
Tuition fees	183,587	180,219	3,368	1.9%
Boarding fees	14,558	13,739	819	6.0%
Meal catering services fees	2,642	1,803	839	46.5%
Revenue from hotel operation	1,639	1,306	333	25.5%
Others ⁽¹⁾	5,989	5,023	966	19.2%
Total	208,415	202,090	6,325	3.1%

Note:

(1) Others mainly represent revenue from hotel accommodation, research projects and training programs.

Outlook

Given the Group's track record of delivering quality private higher education and industry reputation, the Group remains full of confidence about its future. The Group is committed to becoming the leader and a standard developer of talent cultivation in the hospitality management industry in the PRC, thus continues to pursue the following strategies:

- Further increase market penetration and enhance teaching quality to solidify its market position and gradually establish itself as a standard developer of talent cultivation in the PRC hospitality management industry;
- Actively establish overseas schools and strengthen international cooperation with overseas educational institutions and enterprises;
- Continue to attract, incentivise and retain quality teachers; and
- Capitalise on the existing brand name of Yinxing College and Yinxing Catering Training School to further develop training programmes to diversify its source of income.

Management Discussion and Analysis

Construction of New Campus

In March 2019, the Group has entered into a land use rights grant contract in respect of the grant of a piece of land with site area of 333,360 square metres located in the Nanxi District, Yibin City, Sichuan Province. The land was planned to be used for the construction of the Nanxi New Campus, including an educational hotel.

In May 2019, the Group entered into a construction contract for the construction works of phase one of the Nanxi New Campus (the “**Construction Project**”). The Construction Project, mainly encompassed the construction of educational hotels, classroom buildings, a canteen, dormitories and other facilities, was completed in 2022.

On 29 May 2023, the Group entered into a construction contract for the construction works of the Expansion of Nanxi New Campus (the “**Expansion Project**”). The Expansion Project mainly encompasses the construction of one student dormitory and other ancillary facilities with the total gross floor area of approximately 20,715.36 square meters was completed in 2024.

Financial Review

Revenue

Revenue represents the value of services rendered during the Reporting Period. The Group derives revenue primarily from tuition fees, boarding fees and meal catering services fees collects from students by Yinxing College.

The Group’s revenue for the Reporting Period amounted to approximately RMB208.4 million (Previous Period: approximately RMB202.1 million), representing an increase of approximately 3.1%. Such increase was primarily due to the fact that: (i) tuition fees during the Reporting Period amounted to approximately RMB183.6 million (Previous Period: RMB180.2 million), representing an increase of approximately 1.9%; and (ii) boarding fees during the Reporting Period amounted to approximately RMB14.6 million (Previous Period: RMB13.7 million), representing an increase of approximately 6.6%. The increment was attributable to the increase of student admission for the 2024/2025 school year and increase in average tuition fees and boarding fees.

Cost of Sales

Cost of sales consists primarily of teaching staff costs, depreciation and amortization, cost of cooperative education, utilities and other costs. The Group’s cost of sales for the Reporting Period amounted to approximately RMB82.6 million (Previous Period: approximately RMB71.6 million), representing an increase of approximately 15.4%.

Gross Profit and Gross Profit Margin

The Group's gross profit for the Reporting Period amounted to RMB125.8 million (Previous Period: RMB130.5 million), representing a decrease of approximately 3.6%. The Group's gross profit margin during the Reporting Period was approximately 60.4% (Previous Period: approximately 64.6%). Such decrease was mainly due to the effect of the increase in the cost of sales outweigh the increase in revenue during the Reporting Period.

Selling Expenses

The Group's selling expenses primarily consist of expenses related to relevant publicity of our College, including student recruitment activities and promotional and advertising expenses. During the Reporting Period, the Group's selling expenses amounted to approximately RMB0.8 million (Previous Period: approximately RMB1.0 million).

Administrative Expenses

The Group's administrative expenses primarily consist of employee benefit expenses, property management fee, office expenses, depreciation and amortisation, professional and business consultancy fees and certain other administrative expenses. During the Reporting Period, the Group's administrative expenses amounted to approximately RMB24.1 million (Previous Period: approximately RMB24.4 million).

Other Income

Other income and gains consist primarily of government grants and interest income. The Group's other income during the Reporting Period amounted to approximately RMB1.5 million (Previous Period: approximately RMB3.3 million).

Other (losses)/gains – net

During the Reporting Period, the Group's net other (loss)/gains were approximately RMB0.4 million (Previous Period: approximately nil), such decrease was primarily attributed to a decrease in foreign exchange gains for the Reporting Period.

Finance Expenses – net

During the Reporting Period, the Group's net finance expenses amounted to approximately RMB1.4 million (Previous Period: approximately RMB1.3 million). Such increase was mainly due to the effect of the decrease in the financial income outweigh the decrease in financial expense during the Reporting Period.

Income Tax Expenses

The Group's income tax expenses for the Reporting Period amounted to approximately RMB0.3 million (Previous Period: approximately RMB0.4 million).

Profit for the Period

As a result of the foregoing, the Group's profit decreased by approximately 5.9% to approximately RMB100.3 million for the Reporting Period (Previous Period: approximately RMB106.6 million).

Management Discussion and Analysis

Financial Resources Review

Liquidity, Financial Resources and Capital Structure

As at 30 June 2025, the Group's cash and cash equivalents amounted to approximately RMB65.3 million (31 December 2024: approximately RMB271.7 million), representing a decrease of approximately 76.0%.

Net cash used in operating activities were approximately RMB79.6 million for the Reporting Period (Previous Period: approximately RMB77.4 million). Net cash used in investing activities were approximately RMB60.1 million for the Reporting Period (Previous Period: approximately RMB63.0 million). Net cash used in financing activities were approximately RMB66.6 million for the Reporting Period (Previous Period: approximately RMB1.0 million).

As at 30 June 2025, the Group's borrowings amounted to approximately RMB247.8 million (31 December 2024: approximately RMB309.8 million). As at 30 June 2025, the Group's borrowings of approximately RMB103.0 million (31 December 2024: approximately RMB120.0 million) would mature within 1 year, approximately RMB84.6 million (31 December 2024: approximately RMB80.0 million) would mature between 1 and 2 years, approximately RMB60.2 million (31 December 2024: approximately RMB109.8 million) would mature between 2 and 5 years and none (31 December 2024: none) would mature over 5 years. The Group's borrowings were denominated in RMB and carried at fixed interest rates as at 30 June 2025.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total debt less cash and cash equivalents. As at 30 June 2025, the Group's gearing ratio was 27.1% (31 December 2024: 40.2%).

As at 30 June 2025, the Group had net current liabilities of approximately RMB120.4 million (31 December 2024: RMB174.5 million), the decrease is attributed to the combined effect of the decrease in short-term borrowings and the decrease of cash and cash equivalents as well as the recognition of revenue during the Reporting Period in respect of the contract liabilities received from students last year.

Significant investment, material acquisition and disposal of subsidiaries and associated companies

There was no significant investment, material acquisition and disposal of subsidiaries and associated companies during the Reporting Period.

Future Plan for Material Investments and Capital Assets

Save as disclosed herein, the Group did not have other plans for material investments and capital assets during the Reporting Period and up to the date of this interim report.

Capital Commitments

As at 30 June 2025, the Group had contracted but not provided for capital commitments of approximately RMB12.0 million, which were primarily relating to the Expansion Project (31 December 2024: approximately RMB17.8 million for property, plant and equipment).

Currency Exposure and Management

The majority of the Group's revenue and expenditures are denominated in RMB. As at 30 June 2025, certain bank balances were denominated in RMB, United States dollars ("USD") and Hong Kong dollars ("HKD"). The Group is exposed to foreign exchange risk with respect mainly to USD and HKD which may affect the Group's performance. The Group currently does not have any foreign currency hedging policies. The management is aware of the possible exchange risk exposure due to the continuing exchange rate fluctuation of USD and HKD against RMB and will continue to monitor its impact on the performance of the Group and consider adopting prudent measures as appropriate.

Contingent Liabilities

As at 30 June 2025, the Group had no material contingent liabilities (31 December 2024: nil).

Pledge of Assets

As at 30 June 2025, RMB197.3 million of construction in progress and buildings, RMB3.4 million of land use rights and right over the tuition fees and boarding fees had been pledged as security to secure the bank borrowings of RMB234.8 million.

Employees and Remuneration Policy

As at 30 June 2025, the Group had 1,167 employees (31 December 2024: 1,088 employees). Remuneration of the Group's employees includes basic salaries, allowances, bonus and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions. The emolument policy for the employees of the Group is set up by the Board on the basis of their merit, qualification and competence. As required by the PRC laws and regulations, the Group participates in various employee social security plans for the employees that are administered by local governments, including, among other things, housing provident fund, pension, medical insurance, social insurance and unemployment insurance. The Board believes that the Group is maintaining a favourable working relationship with its employees, and it has experienced no major labour disputes during the Reporting Period.

Corporate Governance and Other Information

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES OR DEBENTURES

As at 30 June 2025, the interests or short positions of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which would be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange, are as follows:

(1) Long position in the shares of the Company (the "Shares")

Name of Director	Nature of Interest	Number of Shares	Approximate percentage of Shareholding (Note 3)
Mr. Fang Gonyu (Note 1)	Interest in a controlled corporation	366,562,500	73.3%
Mr. Tian Tao (Note 2)	Interest in a controlled corporation	8,437,500	1.7%

Notes:

- (1) Vast Universe Company Limited ("Vast Universe") is beneficially and wholly owned by Mr. Fang Gonyu ("Mr. Fang"). By virtue of the SFO, Mr. Fang is deemed to be interested in the Shares held by Vast Universe.
- (2) HFYX Company Limited ("HFYX") is beneficially and wholly owned by Mr. Tian Tao ("Mr. Tian"). By virtue of the SFO, Mr. Tian is deemed to be interested in the Shares held by HFYX.
- (3) The percentages are calculated on the basis of 500,000,000 Shares in issue as of 30 June 2025.

(2) Long position in the shares of associated corporation

Name of Director	Name of Associated Corporation	Nature of Interest	Number of Shares	Percentage of Shareholding
Mr. Fang	Vast Universe	Beneficial owner	1 ordinary share	100%

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO), (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 30 June 2025, the following persons (other than the Directors and chief executives of the Company) had or deemed or taken to have an interest and/or short position in the shares or the underlying shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under section 336 of SFO, or who was, directly or indirectly, interested in 5% or more of the issued share capital of the Company:

Name	Capacity	Number of Shares (Note 1)	Approximate Percentage of Shareholding (Note 4)
Vast Universe	Beneficial owner	366,562,500 (L)	73.3%
Ms. Xiong Lan (Note 2)	Interest of spouse	366,562,500 (L)	73.3%
GreenTree Hospitality Group Ltd. (Note 3)	Beneficial owner	41,336,000 (L)	8.3%
GreenTree Inns Hotel Management Group, Inc. (Note 3)	Interest in a controlled corporation	41,336,000 (L)	8.3%
Mr. Xu Alex Shuguang (徐曙光) (Note 3)	Interest in a controlled corporation	41,336,000 (L)	8.3%

Notes:

- (1) The letter "L" denotes the person's long position in such shares.
- (2) Ms. Xiong Lan is the spouse of Mr. Fang and therefore deemed under the SFO to be interested in the Shares held, directly or indirectly, by Mr. Fang.
- (3) GreenTree Hospitality Group Ltd. is a limited company incorporated in the Cayman Islands and the ultimate holding company is GreenTree Inns Hotel Management Group, Inc., a company incorporated in the Cayman Islands. GreenTree Inns Hotel Management Group, Inc. is ultimately controlled by Mr. Xu Alex Shuguang. GreenTree Inns Hotel Management Group, Inc. and Mr. Xu Alex Shuguang are deemed under the SFO to be interested in the Shares held by GreenTree Hospitality Group Ltd..
- (4) The percentages are calculated on the basis of 500,000,000 Shares in issue as of 30 June 2025.

Corporate Governance and Other Information

Save as disclosed above, as at 30 June 2025, so far as the Directors or chief executive of the Company are aware, no other persons (other than a Director or the chief executive of the Company) or entities had any interests or short positions in the Shares or underlying Shares, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

Save as disclosed above, as at 30 June 2025, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange during the Reporting Period.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standard of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and responsibility.

The Board comprises four executive Directors and three independent non-executive Directors. The Board has adopted the code provisions of the Corporate Governance Code ("CG Code") set out in Appendix 14 to the Listing Rules. For the Reporting Period, the Company has complied with all of the mandatory disclosure requirements and code provisions as set out in the section headed "Part 2 – Principles of good corporate governance, code provisions and recommended best practices" of the CG Code, save and except for the deviation to paragraph C.2.1 of the CG Code below.

Paragraph C.2.1 of the CG Code stipulates that the roles of chairman (the "Chairman") and chief executive officer (the "CEO") should be separate and should not be performed by the same individual (the "Requirement"). The Chairman and CEO are held by Mr. Fang Gongyu who has extensive experience in the industry. The Board believes that Mr. Fang can provide the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. The Board also considered that the structure of vesting the roles of chairman and chief executive officer in the same person will not impair the balance of power and authority between the Board and the management of the Company. The Board shall review this structure from time to time to ensure appropriate and timely action to meet changing circumstances.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct governing the securities transactions by the Directors.

Following a specific enquiry made by the Company on each of the Directors, all Directors have confirmed that they had complied with the Model Code for the Reporting Period.

SHARE OPTION SCHEME

On 12 December 2018, the shareholders approved and conditionally adopted the share option scheme (the **“Share Option Scheme”**) to enable the Company to grant options to eligible participants as incentives and rewards for their contribution to the Group. The Share Option Scheme became effective on 18 January 2019. No option has been granted since then and up to the date of this interim report and therefore, there was no outstanding options as at 30 June 2025 and no options were exercised or cancelled or lapsed during the Reporting Period.

INTERIM DIVIDEND

At the meeting of the Board held on 29 August 2025, the Board has resolved not to pay any interim dividend for the six months ended 30 June 2025.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this interim report, there was no other significant subsequent event relevant to the business or financial performance of the Group that has come to the attention of the Directors since 30 June 2025 and up to the date of this interim report.

PUBLIC FLOAT

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Company had maintained sufficient public float as required under the Listing Rules for the Reporting Period.

AUDIT COMMITTEE

As at the date of this interim report, the audit committee of the Company (the **“Audit Committee”**) consists of Mr. Wong Chi Keung, Mr. Jiang Qian and Mr. Yuan Jun, who are independent nonexecutive Directors. The chairman of the Audit Committee is Mr. Wong Chi Keung. The unaudited interim condensed consolidated financial information for the Reporting Period of the Company have been reviewed by the Audit Committee.

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

	Note	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Revenue	7	208,415	202,090
Cost of sales		(82,630)	(71,625)
Gross profit		125,785	130,465
Selling expenses		(835)	(956)
Administrative expenses		(24,133)	(24,381)
Other income		1,493	3,276
Other (losses)/gains – net		(351)	20
Operating profit	8	101,959	108,424
Finance income	9	314	1,146
Finance expenses	9	(1,686)	(2,495)
Finance expenses – net		(1,372)	(1,349)
Profit before income tax		100,587	107,075
Income tax expenses	10	(309)	(449)
Profit for the period		100,278	106,626
Other comprehensive income for the period		—	—
Total comprehensive income for the period		100,278	106,626
Profit and total comprehensive income attributable to shareholders of the Company		100,278	106,626
Earnings per share for profit attributable to shareholders of the Company			
Basic and diluted earnings per share (RMB Yuan)	11	0.20	0.21

The above interim condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Balance Sheet

As at 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

	Note	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
ASSETS			
Non-current assets			
Right-of-use assets	13	62,335	63,468
Property, plant and equipment	14	1,236,592	1,236,249
Intangible assets	15	2,532	2,935
Prepayments	18	1,111	734
Financial assets at fair value through profit or loss	16	2,045	—
		1,304,615	1,303,386
Current assets			
Inventories		1,189	1,158
Trade and other receivables	17	7,782	8,551
Prepayments	18	1,113	1,625
Financial assets at fair value through profit or loss	16	5,165	—
Cash and cash equivalents		65,276	271,723
		80,525	283,057
Total assets		1,385,140	1,586,443
EQUITY			
Share capital		4,321	4,321
Share premium		134,042	134,042
Reserves		112,108	112,108
Retained earnings		787,716	687,438
Total equity		1,038,187	937,909

Interim Condensed Consolidated Balance Sheet

As at 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

	Note	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings	20	144,790	189,790
Lease liabilities	13	662	663
Deferred government grants		544	544
		145,996	190,997
Current liabilities			
Accruals and other payables	19	92,548	134,236
Borrowings	20	103,000	120,000
Lease liabilities	13	302	556
Contract liabilities	7	4,612	202,241
Current income tax liabilities		495	504
		200,957	457,537
Total liabilities		346,953	648,534
Total equity and liabilities		1,385,140	1,586,443

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

(Unaudited) Attributable to owners of the Company

	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>	Capital reserves <i>RMB'000</i>	surplus reserves <i>RMB'000</i>	Retained earnings <i>RMB'000</i>	Statutory Total <i>RMB'000</i>
As at 1 January 2024	4,321	134,042	50,000	45,981	550,358	784,702
Profit and total comprehensive income for the period	—	—	—	—	106,626	106,626
As at 30 June 2024	<u>4,321</u>	<u>134,042</u>	<u>50,000</u>	<u>45,981</u>	<u>656,984</u>	<u>891,328</u>
As at 1 January 2025	4,321	134,042	50,000	62,108	687,438	937,909
Profit and total comprehensive income for the period	—	—	—	—	100,278	100,278
As at 30 June 2025	<u>4,321</u>	<u>134,042</u>	<u>50,000</u>	<u>62,108</u>	<u>787,716</u>	<u>1,038,187</u>

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flow

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Cash flows from operating activities		
Cash used in operations	(79,611)	(77,187)
Interest received	357	312
Income tax paid	(318)	(485)
Net cash used in operating activities	(79,572)	(77,360)
Cash flows from investing activities		
Purchases of property, plant and equipment	(52,700)	(62,261)
Purchases of intangible assets	(166)	(729)
Proceeds from disposal of property, plant and equipment	-	5
Investments in financial assets at fair value through other profit or loss	(7,192)	-
Net cash used in investing activities	(60,058)	(62,985)
Cash flows from financing activities		
Proceeds from bank borrowings	13,000	40,000
Repayment of bank borrowings	(75,000)	(35,000)
Interest paid	(4,371)	(5,640)
Lease payments for right-of-use assets excluding land use rights	(254)	(339)
Net cash used in financing activities	(66,625)	(979)
Net decrease in cash and cash equivalents	(206,255)	(141,324)
Cash and cash equivalents at beginning of the period	271,723	215,713
Effects of exchange rate changes on cash and cash equivalents	(192)	(37)
Cash and cash equivalents at end of the period	65,276	74,352

The above interim condensed consolidated statement of cash flow should be read in conjunction with the accompanying notes.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

1 General information

The Company was incorporated in the Cayman Islands on 23 March 2018 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company and its subsidiaries and consolidated affiliated entities (collectively referred to as the "**Group**") are principally engaged in providing private higher education services in the People's Republic of China (the "**PRC**").

The ultimate controlling shareholder of the Company is Mr. Fang Gongyu (the "**Controlling Shareholder**" or "**Mr. Fang**"), who has been controlling the group companies since their incorporation or establishment.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 18 January 2019 by way of its initial public offering.

This interim condensed consolidated financial information is presented in Renminbi ("**RMB**") and rounded to the nearest thousand yuan (RMB's 000), unless otherwise stated.

This interim condensed consolidated financial information has been approved for issue by Board of Directors on 29 August 2025.

This interim condensed consolidated financial information has not been audited.

2 Basis of preparation

This interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim financial reporting". This interim condensed consolidated financial information does not include all the notes of the type normally included in an annual consolidated financial statements. Accordingly, it should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") except for the adoption of new and amended standards as disclosed in Note 3.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

3 Significant accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those annual financial statements.

(a) New and amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

Standards and amendments	Key requirements	Effective for accounting periods beginning on or after
HKAS 21 (Amendments)	Lack of Exchangeability	1 January 2025

(b) New standards and interpretations not yet adopted

The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning on 1 January 2025 and have not been early adopted by the Group:

Standards and amendments	Key requirements	Effective for accounting periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Group is in the process of assessing the full impact of the new standards, new interpretations and amendments to standards and interpretations.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

4 Financial risk management

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The interim condensed consolidated financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

There have been no changes in the risk management policies since year end.

4.2 Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group expects to fund its future cash flow needs through internally generated cash flows from operations and bank borrowings. The Group's current liabilities included contracted liabilities with total amount of RMB4,612,000 as at 30 June 2025 which will not require future cash outflows. Excluding this non-financial liabilities, the Group had net current liabilities of RMB115,820,000 as at 30 June 2025. Subsequent to 30 June 2025, the Group expects to obtain proceeds from school fees for the September 2025 school year amounting to RMB330 million by the end of September 2025. Management believes that there is no significant liquidity risk in view of the expected cash flow from operations and continuing support from banks in the coming twelve months from the balance sheet date of 30 June 2025.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

4 Financial risk management *(Continued)*

4.2 Liquidity risk *(Continued)*

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	(Unaudited)				
	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
As at 30 June 2025					
Borrowings (principal plus interests)	108,429	87,634	60,829	-	256,892
Accruals and other payables (excluding salaries and welfare payable and other taxes payable)	81,211	-	-	-	81,211
Lease liabilities	317	693	-	-	1,010
Total	189,957	88,327	60,829	-	339,113
 As at 31 December 2024					
Borrowings (principal plus interests)	127,790	84,914	111,950	-	324,654
Accruals and other payables (excluding salaries and welfare payable and other taxes payable)	115,907	-	-	-	115,907
Lease liabilities	571	589	148	-	1,308
Total	244,268	85,503	112,098	-	441,869

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

4 Financial risk management *(Continued)*

4.3 Fair value estimation

The table below analyses the Group's financial instruments and investment properties carried at fair value as at 30 June 2025 by valuation method. The different levels have been defined as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where climate risk gives rise to a significant unobservable adjustment.

	(Unaudited)			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Recurring fair value measurements				
As at 30 June 2025				
Financial assets				
Financial assets at FVTPL				
– Listed equity investments (Note 16)	2,045	–	–	2,045
– Wealth management products (Note 16)	5,165	–	–	5,165
	7,210	–	–	7,210

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

4 Financial risk management *(Continued)*

4.3 Fair value estimation *(Continued)*

There were no transfers between levels 1 and 2 for recurring fair value measurements during the six months ended 30 June 2025.

The group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

The carrying amounts of the Group's financial assets include cash and cash equivalents and trade and other receivables and financial liabilities including accruals and other payables, amounts due to related parties, lease liability and current borrowings, which approximated their fair values as at the balance sheet date due to their short-term maturities.

5 Critical accounting estimates and judgments

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2024.

6 Segment information

The Group is principally engaged in provision of private higher education services in the PRC. The Group's chief operating decision maker (the "**CODM**") has been identified as the chief executive officer who considers the business from the service perspective.

For the purpose of resource allocation and performance assessment, the CODM reviews the overall results and financial position of the Group as a whole prepared based on the same accounting policies. Accordingly, their segment information is aggregated as a single reportable segment. Management of the Group assesses the performance of the reportable segment based on the revenue and gross profit for the period of the Group as presented in the interim condensed consolidated statement of profit or loss and other comprehensive income.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

7 Revenue

Revenues during the six months ended 30 June 2025 and 2024 are as follows:

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Tuition fees	183,587	180,219
Boarding fees	14,558	13,739
Meal catering service fees	2,642	1,803
Revenue from hotel operation	1,639	1,306
Others (note)	5,989	5,023
	208,415	202,090

Note: Others mainly represent revenue from hotel accommodation, research projects and training programs.

Revenue represented by:

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Recognised over time		
Tuition fees	183,587	180,219
Boarding fees	14,558	13,739
Others	7,628	6,329
Recognised at a point in time		
Meal catering service fees	2,642	1,803
	208,415	202,090

No customers individually accounted for more than 10% of the Group's revenue for the six months ended 30 June 2025 and 2024.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

7 Revenue *(Continued)*

Contract liabilities

The Group has recognised the following revenue-related contract liabilities:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Contract liabilities related to tuition fees	456	182,077
Contract liabilities related to boarding fees	3,991	18,534
Others	165	1,630
	4,612	202,241

(1) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current period relates to carried-forward contract liabilities.

	Six months ended 30 June 2025 <i>RMB'000</i> (Unaudited)	Six months ended 30 June 2024 <i>RMB'000</i> (Unaudited)
Revenue recognised that was included in the balance of contract liabilities at the beginning of the year		
Tuition fees	181,852	177,968
Boarding fees	14,521	17,402
Others	1,615	1,680
	197,988	197,050

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

7 Revenue *(Continued)*

Contract liabilities *(Continued)*

(2) Unsatisfied contracts

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Expected to be recognised within one year		
Tuition fees	456	182,077
Boarding fees	3,991	18,534
Others	165	1,630
	4,612	202,241

8 Operating profit

The following items have been charged/(credited) to the operating profit during the six months ended 30 June 2025 and 2024:

	Six months ended 30 June 2025 <i>RMB'000</i> (Unaudited)	Six months ended 30 June 2024 <i>RMB'000</i> (Unaudited)
Employee benefit expenses	59,118	52,364
Depreciation and amortization <i>(note 13, 14 and 15)</i>	26,083	21,446
Office expenses	5,249	7,357
Training expenses	2,686	1,676
Property management fee	2,245	2,691
Student activities expenses	1,439	1,913
Traveling expenses	918	947
Canteen purchases	—	48
Government subsidies	(363)	(1,447)

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

9 Finance expenses – net

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Finance expenses:		
– Interest expenses on borrowings	(4,560)	(5,640)
– Interest expenses on lease liabilities (note 13)	<u>(27)</u>	<u>(16)</u>
	(4,587)	(5,656)
– Amounts capitalised in qualifying assets (note 14(b))	<u>2,901</u>	<u>3,161</u>
	(1,686)	(2,495)
Finance income:		
– Bank interest income	<u>314</u>	<u>1,146</u>
Net finance expenses	<u>(1,372)</u>	<u>(1,349)</u>

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is 3.17% for the six months ended 30 June 2025 (2024: 3.39%), which is the weighted average interest rate applicable to the Group's borrowings for construction in progress during the period.

10 Income tax expenses

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Current tax		
Current tax on profits for the period	<u>309</u>	<u>449</u>

(i) Cayman Islands corporate income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands corporate income tax.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

10 Income tax expenses *(Continued)*

(ii) British Virgin Islands profit tax

The Company's direct subsidiary in the British Virgin Islands was incorporated under the BVI Companies Act, 2004 and accordingly, is exempted from British Virgin Islands income tax.

(iii) Hong Kong profit tax

No provision for Hong Kong profit tax was provided as the Company and the Group did not have assessable profits in Hong Kong during the six months ended 30 June 2025.

(iv) PRC corporate income tax ("CIT")

CIT is provided on assessable profits of entities incorporated in the PRC. Pursuant to the Corporate Income Tax Law of the PRC (the "**CIT Law**"), which was effective from 1 January 2008, the CIT was 25% during the period.

According to the Implementation Rules, private schools for which the school sponsors do not require reasonable returns are eligible to enjoy the same preferential tax treatment as public schools. The preferential tax treatment policies applicable to private schools requiring reasonable returns are to be separately formulated by the relevant government authorities under the State Council of PRC. During the period and up to the date of approval of this interim condensed consolidated financial information, Yinxing College has not yet registered as for-profit private schools and remain as private non-enterprise units. In accordance with the historical tax returns filed to the relevant tax authorities and the tax compliance confirmations obtained before, Yinxing College has been granted corporate income tax exemption for income generated from the provision of formal academic education services. As a result, no income tax expense was recognised for the income from the provision of formal academic education services during the period (2024: nil). In the event Yinxing College electing to register as for-profit private schools, Yinxing College may be subject to corporate income tax at a rate of 25% in respect of service fees they receive from the provision of academic educational services going forward, if they do not enjoy any preferential tax treatment.

(v) PRC Withholding Income Tax

The profits of subsidiaries of the Group in the PRC are subject to PRC withholding income tax at a rate of 10% (2024: 10%) upon the distribution of such profits to the foreign investors in Hong Kong. Deferred income tax liabilities have not been provided for in this regard since it is not expected that dividends will be distributed from the Group's subsidiaries in the PRC to foreign investors in the foreseeable future. In the opinion of the Directors, such remaining earnings will be retained in Mainland China for the expansion of the Group's operation.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

11 Earnings per share

(a) Basic and diluted earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to owners of the Company, by the weighted average number of ordinary shares outstanding during the period.

	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Basic and diluted earnings per share attributable to the ordinary equity holders of the Company (RMB Yuan)	0.20	0.21

(b) Reconciliations of earnings used in calculating earnings per share

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Basic and diluted earnings per share Profit attributable to the ordinary equity holders of the Company used in calculating basic earnings per share	100,278	106,626

(c) Weighted average number of shares used as the denominator

	Six months ended 30 June 2025 (Unaudited)	Six months ended 30 June 2024 (Unaudited)
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share (thousands)	500,000	500,000

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

12 Dividend

No dividend has been paid or declared by the Group for the six months ended 30 June 2025 and 2024, nor has any dividend been proposed subsequent to 30 June 2025.

13 Right-of-use assets

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Right-of-use assets		
– Land use rights	61,413	62,278
– Buildings	922	1,190
	<hr/>	<hr/>
	62,335	63,468
Lease liabilities		
– Current	302	556
– Non-current	662	663
	<hr/>	<hr/>
	964	1,219

As at 30 June 2025, land use rights with an aggregate carrying amount of approximately RMB3,385,000 (31 December 2024: approximately RMB3,435,000) was pledged to secure bank borrowings of RMB234,790,000 (31 December 2024: RMB269,790,000) (note 20(a)).

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

13 Right-of-use assets *(Continued)*

The interim condensed consolidated statement of comprehensive income shows the following amounts relating to leases:

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Depreciation charge of right-of-use assets		
– Land use rights	867	867
– Buildings	267	280
	1,134	1,147
Interest expenses <i>(note 9)</i>	27	16
Expenses relating to leases of low-value assets	10	5
	37	21

The total cash payment for leases during the period was approximately RMB264,000.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

14 Property, plant and equipment

	(Unaudited)							
	Buildings RMB'000	Decoration RMB'000	Electronic equipment RMB'000	Furniture and fixture RMB'000	Vehicles RMB'000	Books RMB'000	Construction in progress RMB'000	Total RMB'000
As at 1 January 2024								
Cost	992,575	36,080	45,398	92,997	3,241	10,022	233,061	1,413,374
Accumulated depreciation	(123,157)	(26,922)	(29,981)	(64,768)	(2,799)	(9,700)	-	(257,327)
Net book amount	869,418	9,158	15,417	28,229	442	322	233,061	1,156,047
Six months ended 30 June 2024								
Opening net book amount as at 1 January 2024	869,418	9,158	15,417	28,229	442	322	233,061	1,156,047
Additions	3,814	34	1,993	7,001	82	10	62,765	75,699
Transfers	12,037	-	-	-	-	-	(12,037)	-
Deductions of government grants relating to assets	(1,170)	-	-	-	-	-	-	(1,170)
Disposals	-	-	-	(1)	(5)	-	-	(6)
Depreciation charge	(10,583)	(1,358)	(2,587)	(5,237)	(105)	(71)	-	(19,941)
Closing net book amount	873,516	7,834	14,823	29,992	414	261	283,789	1,210,629
As at 30 June 2024								
Cost	1,007,256	36,114	47,391	99,997	3,169	10,032	283,789	1,487,748
Accumulated depreciation	(133,740)	(28,280)	(32,568)	(70,005)	(2,755)	(9,771)	-	(277,119)
Net book amount	873,516	7,834	14,823	29,992	414	261	283,789	1,210,629

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

14 Property, plant and equipment *(Continued)*

	(Unaudited)							
	Buildings	Decoration	Electronic equipment	Furniture and fixture	Vehicles	Books	Construction in progress	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at 1 January 2025								
Cost	1,301,684	36,080	51,895	109,985	3,102	10,032	23,890	1,536,668
Accumulated depreciation	(147,533)	(29,748)	(35,071)	(75,448)	(2,723)	(9,896)	-	(300,419)
Net book amount	<u>1,154,151</u>	<u>6,332</u>	<u>16,824</u>	<u>34,537</u>	<u>379</u>	<u>136</u>	<u>23,890</u>	<u>1,236,249</u>
Six months ended 30 June 2025								
Opening net book amount as at 1 January 2025	1,154,151	6,332	16,824	34,537	379	136	23,890	1,236,249
Additions	-	-	1,259	163	-	-	23,428	24,850
Transfers	-	-	-	-	-	-	-	-
Deductions of government grants relating to assets	-	-	-	-	-	-	-	-
Disposals	-	-	-	(1)	-	-	-	(1)
Depreciation charge	(14,745)	(1,181)	(2,781)	(5,658)	(66)	(75)	-	(24,506)
Closing net book amount	<u>1,139,406</u>	<u>5,151</u>	<u>15,302</u>	<u>29,041</u>	<u>313</u>	<u>61</u>	<u>47,318</u>	<u>1,236,592</u>
As at 30 June 2025								
Cost	1,301,370	36,082	53,154	110,144	3,102	10,033	47,318	1,561,203
Accumulated depreciation	(161,964)	(30,931)	(37,852)	(81,103)	(2,789)	(9,972)	-	(324,611)
Net book amount	<u>1,139,406</u>	<u>5,151</u>	<u>15,302</u>	<u>29,041</u>	<u>313</u>	<u>61</u>	<u>47,318</u>	<u>1,236,592</u>

- (a) Construction-in-progress mainly comprises buildings under construction in the PRC.
- (b) During the six months ended 30 June 2025, the Group capitalised interest on borrowings is RMB2,901,000 (2024: RMB3,161,000) on qualifying assets (note 9).
- (c) As at 30 June 2025, construction in progress and buildings with an aggregate carrying amount of approximately RMB197,303,000 (31 December 2024: approximately RMB200,017,000) was pledged to secure bank borrowings of RMB234,790,000 (31 December 2024: RMB269,790,000) (note 20(a)).

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

15 Intangible assets

Computer
software
RMB'000
(Unaudited)

As at 1 January 2024

Cost	7,600
Accumulated amortisation	(5,581)
Net book amount	2,019

Six months ended 30 June 2024

Opening net book amount as at 1 January 2024	2,019
Additions	729
Amortisation charge	(358)
Closing net book amount as at 30 June 2024	2,390

As at 30 June 2024

Cost	8,240
Accumulated amortisation	(5,850)
Net book amount	2,390

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

15 Intangible assets *(Continued)*

	Computer software <i>RMB'000</i> (Unaudited)
As at 1 January 2025	
Cost	9,124
Accumulated amortisation	(6,189)
Net book amount	2,935
Six months ended 30 June 2025	
Opening net book amount as at 1 January 2025	2,935
Additions	166
Disposal	(126)
Amortisation charge	(443)
Closing net book amount as at 30 June 2025	2,532
As at 30 June 2025	
Cost	9,115
Accumulated amortisation	(6,583)
Net book amount	2,532

16 Financial assets at fair value through profit or loss

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Non-current		
Investment in listed common stocks	2,045	—
Current		
Investment in wealth management products	5,165	—
	7,210	—

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

17 Trade and other receivables

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Trade receivables		
– Due from students	872	1,106
– Due from others	288	719
	1,160	1,825
Other receivables		
– Deposit	2,142	2,142
– Others	4,480	4,584
	6,622	6,726
	7,782	8,551

As at 30 June 2025 and 31 December 2024, the aging analysis of the trade receivables based on the recognition date is as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Less than 1 year	1,160	1,825

As at 30 June 2025 and 31 December 2024, trade receivables of RMB1,160,000 and RMB1,825,000 were past due but not impaired. These primarily relate to a number of independent students, and based on past experience and management's assessment, the overdue amounts can be recovered.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

18 Prepayments

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Prepayments for student related and other expenses	1,113	1,625
Prepayments for purchases of property, plant and equipment	1,111	734
Less: non-current portion of prepayments	<u>(1,111)</u>	<u>(734)</u>
	1,113	1,625

19 Accruals and other payables

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Payables for purchases of property, plant and equipment	32,269	62,643
Government subsidies payable to students (note (a))	20,450	4,307
Miscellaneous fees received from students (note (b))	12,657	27,959
Other taxes payable	10,542	10,024
Accrued expenses	5,498	6,918
Salary and welfare payables	606	8,305
Others	<u>10,526</u>	<u>14,080</u>
	92,548	134,236

- (a) The amounts represent the subsidies received from the government which would be paid out to students by the Group on behalf of the government authorities.
- (b) The amounts represent the miscellaneous fees received from students which would be paid out by the Group on behalf of the students.
- (c) As at 30 June 2025 and 31 December 2024, the fair values of accruals and other payables approximate their carrying amounts due to their short-term maturities.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

20 Borrowings

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Current:		
– Secured current portion of long-term bank borrowings (note (a))	90,000	80,000
– Secured short-term bank borrowings (note (b))	5,000	40,000
– Unsecured short-term bank borrowings	8,000	–
	103,000	120,000
Non-current:		
– Secured long-term bank borrowings (note (a))	144,790	189,790
Total borrowings	247,790	309,790

- (a) As at 30 June 2025, long-term bank borrowings of RMB234,790,000 (31 December 2024: RMB269,790,000) were obtained in the PRC and secured by the pledge of the Group's land use rights with a net book value of approximately RMB3,385,000 (31 December 2024: RMB3,435,000) (note 13(a)), construction in progress and buildings included in property, plant and equipment with an aggregate amount of approximately RMB197,303,000 (31 December 2024: RMB200,017,000) (note 14(c)) and corporate guarantees from the Company and Yinxing Education.
- (b) The Group's short-term bank borrowings as at 30 June 2025 totalling RMB5,000,000 (31 December 2024: RMB40,000,000) were obtained in the PRC and secured by corporate guarantees from the Company and Yinxin Education.
- (c) The weighted average effective interest rates (per annum) were as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Bank borrowings	3.17%	3.39%

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For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

20 Borrowings *(Continued)*

(d) The maturity date of the borrowing was analysed as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Less than 1 year	103,000	120,000
Between 1 and 2 years	84,631	80,000
Between 2 and 5 years	60,159	109,790
	247,790	309,790

(e) The carrying amounts of the borrowings were denominated in RMB.

(f) The carrying amount of current borrowings approximated their fair values due to their short-term maturities, and non-current borrowings approximated their fair values as the interest payable on those borrowings is close to current market rates.

21 Commitments

(a) Capital commitments

As at 30 June 2025 and 31 December 2024, the details of the capital expenditure contracted but not provided for in the consolidated financial information is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Property, plant and equipment	11,985	17,737

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

21 Commitments *(Continued)*

(b) Non-cancellable operating leases

The Group leases certain offices under non-cancellable operating lease agreements. The Group has future aggregate minimum lease payments in respect of offices under non-cancellable low value operating leases as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
No later than 1 year	10	10
Later than 1 year and no later than 5 years	5	10
Total	15	20

22 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, common significant influence or joint control.

The owners, members of key management and their close family members of the Group are also considered as related parties. In the opinion of the directors, the related party transactions were carried out in normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Names and relationships with related parties

The following companies are related parties of the Group that had balances and/or transactions with the Group during the period.

Name of related parties	Relationship with the Group
Chengdu Gingko Jin'ge Catering Corporation (成都銀杏金閣餐飲股份有限公司)	A company controlled by the Controlling Shareholder
Chengdu Gingko Catering Management Co., Ltd. (成都銀杏餐飲管理有限公司)	A company controlled by the Controlling Shareholder
Chengdu Gingko Hotel Management Co., Ltd. (成都銀杏酒店管理有限公司)	A company controlled by the Controlling Shareholder

(i) The entities shown above do not have official English names and their Chinese names have been translated into English, for reference only, by the directors on a best effort basis.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

(All amounts expressed in RMB thousands unless otherwise stated)

22 Related party transactions (continued)

(b) Transactions with related parties

Other than those related party transactions as disclosed in elsewhere in these consolidated financial statements, during the period, the Group had the following significant transactions with related parties.

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Purchases of goods and services		
– Chengdu Gingko Jin'ge Catering Corporation (成都銀杏金閣餐飲股份有限公司)	158	3
– Chengdu Gingko Catering Management Co., Ltd. (成都銀杏餐飲管理有限公司)	104	4
– Chengdu Gingko Hotel Management Co., Ltd. (成都銀杏酒店管理有限公司)	5	5
	267	12

(c) Key management compensation

Key management compensation for the period, other than those relating to the emoluments of directors, are set out below:

	Six months ended 30 June 2025 RMB'000 (Unaudited)	Six months ended 30 June 2024 RMB'000 (Unaudited)
Wages, salaries and bonuses	1,090	1,063
Contributions to pension plans	81	92
Welfare, medical and other expenses	139	172
	1,310	1,327

23 Contingent liabilities

At 30 June 2025, the Group had no material contingent liabilities (31 December 2024: nil).